GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4677
ANSWERED ON:25.04.2008
TAX RELIEF FOR INVESTMENT BY NRIS
Athawale Shri Ramdas

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is contemplating to provide rebate to NRIs in rate of tax imposed on income generated from investment made in India by them;

(b) if so, the details thereof; and

(c) the percentage of corporate tax imposed on income generated in corporate sector by the Government?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI S.S. PALANIMANICKAM)

(a) No, Sir.

(b) In view of (a) above, does not arise.

(c) The rate of corporate income tax is 30 per cent, of the total income, in the case of a domestic company and 40 per cent, in the case of a foreign company. Where the total income exceeds Rupees one crore, surcharge Is leviable at the rate of 10% and 2.5% of such income -tax in the case of a domestic company and a foreign company respectively. Also, `education cess on income tax` and `secondary and higher education cess on income-tax` are leviable at the rate of 2% and 1 % respectively o n such income-tax and surcharge in the case of all companies.